

MEMO

To: File

From: Chris Neeley

Regarding: Phone conversation with Chris Leiker, owner of Black Tea Oil, LLC (Fareligh A2 Loc.)

Date: 1/30/2015

On January 23, 2015, at 7:21 pm, I received a call from Chris Leiker on my state cell phone. He immediately began to rudely suggest that I was singling his operation out, and stated that he was told that I was just dragging my feet. He said that other operators can drill wherever they want, and don't have any problems getting pits approved. I asked which pits he was talking about, and he mentioned one for Palomino in Gove County, and one in section 11 (township and range not stated), which was approved in 2011. I told him that Palomino was given instruction (verbally to Marvin Mills) to line their pit with topsoil to decrease conductivity, and that the well in section 11 was approved and drilled years before I began working for the state. I also told him that he should plan 10 days ahead to prevent any issues with his drilling schedule, and that on the 23rd, I had other issues taking priority, and I was unable to approve the pit application which had been submitted just that morning.

Furthermore, I advised him that on KOLAR, his location appeared that it may be encroaching on a named stream, which would possibly put the activity under the jurisdiction of the United States Army Corps of Engineers, and that it may be in his best interest to seek Corps approval before beginning work. At that time, he informed me that he does not care about federal regulations, and would be willing to fight them in court over any violations, including prairie chicken related issues.

He then took a more persuasive tone, and said that the amount of revenue he generates through taxes should be enough to allow him to receive better service from state agencies, and factor in to the time required to approve his drilling pits.

At the end of the conversation, I told him that I had already planned on setting up a time Monday January 26, or Tuesday the 27th to meet with Gerald Achatz, his foreman. He agreed, and said that the arrangement would not impact his drilling schedule.